

## GM will issue 30-cent quarterly dividend, names Stevens CFO

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*Incoming General Motors CEO Mary Barra and departing CEO Dan Akerson at the North American International Auto Show on Tuesday*

### General Motors

Co. said Tuesday that its board of directors will issue a 30 cent quarterly dividend per share of common stock beginning in March.

The dividend is the first to shareholders since GM emerged as a new company after its 2009 bankruptcy. GM last paid a dividend in June 2008 at 25 cents a share.

“Today’s General Motors is designing high-quality, world-class vehicles for our customers and delivering consistently solid financial results,” GM Chairman and CEO Dan Akerson said in a statement. “The board understands that our investors should share in this success and is pleased to announce a quarterly dividend for our common stockholders.”

GM said the dividend will be payable on March 28 to shareholders who own stock as of March 18.

The company also later Tuesday said Chuck Stevens, GM’s chief financial officer for North America since January 2010, will take over as GM’s CFO Wednesday. He replaces Dan Ammann, who becomes president of the company effective Wednesday.

Stevens, 54, has also held executive posts for GM in China, Singapore, Indonesia and Thailand. He began his career in 1983 with Buick.

“Chuck’s extensive experience in leading finance operations and driving profitable growth all around the world makes him the perfect choice to help our team drive GM’s global performance to new heights,” Mary Barra, who becomes GM’s new CEO Wednesday, said in a statement.

GM said John Stapleton, CFO of GM’s global manufacturing unit, will replace Stevens as CFO of North America. Stapleton, 45, has more than 24 years of finance experience at the company.

Ammann told reporters Sunday that GM was closer than it ever had been to issuing a dividend.

GM was barred from paying a dividend during the nearly five years it was under [government](#)

[ownership](#). It suspended paying a dividend amid extreme financial pressures.

“Our fortress balance sheet, substantial liquidity, consistent earnings and strong cash flow provide the foundation for an ongoing payout,” Ammann said in a statement. “This return to shareholders is consistent with our capital priorities and is an important signal of confidence in our plans for a continuing profitable future.”

The company has issued 15 consecutive quarters of profitability through the third quarter 2013. At the end of September, GM had total liquidity of \$37.3 billion and \$8.4 billion in debt.

The dividend will cost GM about \$458 million a quarter or more than \$1.8 billion a year. The company, as of Dec. 9, had about 1.5 billion shares of stock outstanding.

The move came as Akerson is retiring from the company as chairman and CEO. He retires effective Wednesday and Barra, currently GM's global product chief, takes over as CEO.

Akerson said in October that the company's board wants to return money to shareholders. Many analysts expected GM to reinstate the dividend and also say a share buyback may be on the horizon.

Reissuing a dividend is another important moment for GM in its turnaround and is a significant payment to investors, said David Kudla, CEO and Chief Investment Strategist for Mainstay Capital Management in Grand Blanc.

"This is another milestone in their restructuring, in the resurgence of the company," he said. "It's a result of improved profits, positive cash flows after a positive restructuring through bankruptcy."

Ford Motor Co. last week said it would increase its dividend to 12.5 cents a share, up from 10 cents a share.

For decades as one of the most widely held stocks, many relied on GM dividends for income. GM in the early 1960s had more than 1 million individual stockholders.

Investors cheered the dividend move, bidding up GM stock by nearly 3 percent in after hours trading. GM stock closed at \$40.02 a share Tuesday, up 44 cents.

*David Shepardson contributed.*

- **GM names Hill vice president of U.S. sales and service.**